

Registration number: 00885485

# John Sinclair (Sheffield) Limited

Annual Report and Consolidated Financial Statements

for the Year Ended 30 June 2014

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**John Sinclair (Sheffield) Limited**  
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**John Sinclair (Sheffield) Limited**  
**Company Information**

<b>Directors</b>	C J Sinclair J M Sinclair J C L Sparre
<b>Company secretary</b>	R E Dodd
<b>Registered office</b>	266 Glossop Road Sheffield S10 2HS
<b>Bankers</b>	Barclays Bank plc Ten Pound Walk Doncaster South Yorkshire DN4 5HX
<b>Auditors</b>	Hawsons Chartered Accountants Statutory Auditor Pegasus House 463a Glossop Road Sheffield S10 2QD

**John Sinclair (Sheffield) Limited**  
**Strategic Report for the Year Ended 30 June 2014**

The directors present their Strategic Report on the group for the year ended 30 June 2014.

**Business review**

***Fair review of the business***

At the balance sheet date, the net assets of the group totalled £8,244,611 (2013 - £7,168,561). The financial performance of the group is set out in the financial statements. The directors do not recommend the payment of a final dividend.

The group relies on its long standing relationships with key manufacturers and suppliers, its levels of service and the appeal of its presentation and store location for its survival and success. This inevitably exposes the business to some risk.

Given the straightforward nature of the business, the directors are of the opinion that analysis using key performance indicators is not necessary for the reader of the accounts to gain an understanding of the development, performance or position of the business. General indicators are turnover and profitability which are closely monitored by the directors.

***Principal risks and uncertainties***

The group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and fluctuations in interest rates.

The group's principal financial instruments comprise bank balances, trade debtors, trade creditors and loans to the business. The main purpose of these instruments is to finance the group's operations.

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. All of the group's cash balances are held in such a way that achieves a competitive rate of interest. The business makes use of money market facilities where funds are available.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Loans comprise loans from financial institutions and periodic loans from directors. The interest rate and monthly repayments on the loans from financial institutions are fixed. The business manages the liquidity risk by ensuring that there are sufficient funds to meet the payments.

Approved by the Board on 26.3.15 and signed on its behalf by:

  
.....  
R E Dodd  
Company secretary

**John Sinclair (Sheffield) Limited**  
**Directors' Report for the Year Ended 30 June 2014**

The directors present their report and the audited consolidated financial statements for the year ended 30 June 2014.

**Directors of the company**

The directors who held office during the year were as follows:

C J Sinclair

J M Sinclair

J C L Sparre

**Principal activity**

The principal activity of the parent company, John Sinclair (Sheffield) Limited continues to be that of merchanting china, glassware and kitchenware, accessories and jewellery, including antiques and exclusive branded products.

Other companies in the group continue to be engaged in the merchanting of high quality china and glass products and property development and investment (through Neaversons Limited) and also in deriving income and gains from property (through Aveley Limited).


**Disclosure of information to the auditors**

The directors of the company who held office at the date of the approval of this Annual Report as set out above each confirm that:

- so far as they are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Reappointment of auditors**

The auditors, Hawsons Chartered Accountants, have signified their willingness to remain in office and are deemed to be reappointed under section 487(2) of the Companies Act 2006.

 Approved by the Board on 26.3.15 and signed on its behalf by:

  
.....  
R E Dodd  
Company secretary

## **John Sinclair (Sheffield) Limited**

### **Statement of Directors' Responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Independent Auditor's Report to the Members of John Sinclair (Sheffield) Limited**

We have audited the financial statements of John Sinclair (Sheffield) Limited for the year ended 30 June 2014, set out on pages 7 to 30. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities (set out on page 4), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report and Strategic Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 June 2014 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

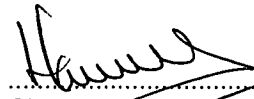
**Independent Auditor's Report to the Members of  
John Sinclair (Sheffield) Limited**

**..... continued**

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



.....  
Christopher Hill (Senior Statutory Auditor)  
For and on behalf of Hawsons Chartered Accountants, Statutory Auditor

Pegasus House  
463a Glossop Road  
Sheffield  
S10 2QD

Date: 27/3/15 .....



**John Sinclair (Sheffield) Limited**  
**Consolidated Profit and Loss Account for the Year Ended 30 June 2014**

	<b>Note</b>	<b>2014 £</b>	<b>2013 £</b>
Turnover	2	6,898,291	8,158,655
Cost of sales		<u>(5,312,907)</u>	<u>(6,353,195)</u>
Gross profit		1,585,384	1,805,460
Distribution costs		(32,005)	(25,077)
Administrative expenses		(1,740,473)	(1,820,369)
Other operating income	3	<u>517,926</u>	<u>449,360</u>
Group operating profit	4	330,832	409,374
Other exceptional items		(903,124)	-
Other interest receivable and similar income		508	3,141
Interest payable and similar charges	8	<u>(34,064)</u>	<u>(39,235)</u>
(Loss)/profit on ordinary activities before taxation		(605,848)	373,280
Tax on (loss)/profit on ordinary activities	9	<u>(51,419)</u>	<u>(63,664)</u>
(Loss)/profit for the financial year attributable to members of the parent company	20	<u><u>(657,267)</u></u>	<u><u>309,616</u></u>

Turnover and operating profit derive wholly from continuing operations.

The (loss)/profit on ordinary activities before taxation has been calculated on the historical cost basis.

**John Sinclair (Sheffield) Limited**  
**Consolidated Statement of Total Recognised Gains and Losses for the Year**  
**Ended 30 June 2014**

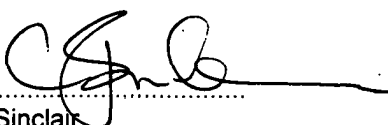
	Note	2014 £	2013 £
(Loss)/profit for the financial year		(657,267)	309,616
Unrealised surplus on revaluation of properties		<u>1,747,045</u>	<u>-</u>
Total recognised gains and losses relating to the year		<u><u>1,089,778</u></u>	<u><u>309,616</u></u>

The notes on pages 12 to 30 form an integral part of these financial statements.

**John Sinclair (Sheffield) Limited**  
**(Registration number: 00885485)**  
**Consolidated Balance Sheet at 30 June 2014**

			2014		2013
	Note	£	£	£	£
<b>Fixed assets</b>					
Intangible fixed assets	10		-		-
Tangible fixed assets	11		9,003,401		8,096,043
<b>Current assets</b>					
Stocks	13	1,165,096		1,245,849	
Debtors	14	861,109		1,091,028	
Cash at bank and in hand		<u>202,245</u>		<u>89,910</u>	
		2,228,450		2,426,787	
Creditors: Amounts falling due within one year	15	<u>(1,041,922)</u>		<u>(1,269,494)</u>	
Net current assets			<u>1,186,528</u>		<u>1,157,293</u>
Total assets less current liabilities			10,189,929		9,253,336
Creditors: Amounts falling due after more than one year	16		(1,916,318)		(2,053,775)
Provisions for liabilities	17		<u>(29,000)</u>		<u>(31,000)</u>
Net assets			<u>8,244,611</u>		<u>7,168,561</u>
<b>Capital and reserves</b>					
Called up share capital	18	320,000		320,000	
Revaluation reserve	20	1,802,055		55,010	
Profit and loss account	20	<u>6,122,556</u>		<u>6,793,551</u>	
Shareholders' funds	21		<u>8,244,611</u>		<u>7,168,561</u>

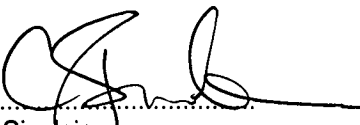
These financial statements were approved and authorised for issue by the Board on 26.3.15 and signed on its behalf by:

  
 .....  
 C J Sinclair  
 Director

**John Sinclair (Sheffield) Limited**  
**(Registration number: 00885485)**  
**Balance Sheet at 30 June 2014**

	Note	2014 £	2013 £
<b>Fixed assets</b>			
Intangible fixed assets	10	-	-
Tangible fixed assets	11	3,483,554	1,722,986
Investments	12	230,456	230,456
		<u>3,714,010</u>	<u>1,953,442</u>
<b>Current assets</b>			
Stocks	13	515,450	555,030
Debtors	14	3,584,520	3,830,142
Cash at bank and in hand		199,967	86,843
		<u>4,299,937</u>	<u>4,472,015</u>
Creditors: Amounts falling due within one year	15	<u>(1,578,947)</u>	<u>(1,647,702)</u>
Net current assets		<u>2,720,990</u>	<u>2,824,313</u>
Total assets less current liabilities		6,435,000	4,777,755
Creditors: Amounts falling due after more than one year	16	(23,043)	(34,977)
Provisions for liabilities	17	<u>(8,000)</u>	<u>(10,000)</u>
Net assets		<u>6,403,957</u>	<u>4,732,778</u>
<b>Capital and reserves</b>			
Called up share capital	18	320,000	320,000
Revaluation reserve	20	1,802,055	-
Profit and loss account	20	<u>4,281,902</u>	<u>4,412,778</u>
Shareholders' funds	21	<u>6,403,957</u>	<u>4,732,778</u>

These financial statements were approved and authorised for issue by the Board on 26.3.15 and signed on its behalf by:

  
 .....  
 C J Sinclair  
 Director

The notes on pages 12 to 30 form an integral part of these financial statements.

**John Sinclair (Sheffield) Limited**  
**Consolidated Cash Flow Statement for the Year Ended 30 June 2014**

**Cash flow statement**

	Note	2014 £	2013 £
Net cash inflow from operating activities	24	557,153	707,912
<b>Returns on investments and servicing of finance</b>			
Interest received		508	3,141
Interest paid		(34,064)	(39,235)
		(33,556)	(36,094)
Tax paid		(35,066)	(7,279)
<b>Capital expenditure and financial investment</b>			
Purchase of tangible fixed assets		(121,404)	(570,861)
Sale of tangible fixed assets		-	4,201
		(121,404)	(566,660)
Equity dividends paid		(13,728)	(13,728)
Net cash inflow before management of liquid resources and financing		353,399	84,151
<b>Financing</b>			
Repayment of loans and borrowings		(126,068)	(172,431)
Increase/(decrease) in cash	25	227,331	(88,280)

**Reconciliation of net cash flow to movement in net debt**

	Note	2014 £	2013 £
Increase/(decrease) in cash		227,331	(88,279)
Cash outflow from repayment of loans		126,068	172,431
Change in net debt resulting from cash flows	25	353,399	84,152
Movement in net debt	25	353,399	84,152
Net debt at 1 July	25	(2,217,833)	(2,301,985)
Net debt at 30 June	25	(1,864,434)	(2,217,833)

The notes on pages 12 to 30 form an integral part of these financial statements.

**John Sinclair (Sheffield) Limited**  
**Notes to the Financial Statements for the Year Ended 30 June 2014**

**1 Accounting policies**

**Basis of preparation**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and in accordance with applicable accounting standards.

**Basis of consolidation**

The group financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 30 June 2014.

Subsidiary undertakings are included using the acquisitions method of accounting. Under this method the group profit and loss account and statement of cashflows include the results and cashflows of subsidiaries from the date of acquisition to the date of sale outside the group in the case of disposals of subsidiaries. The purchase consideration has been allocated to the assets and liabilities on the basis of fair value at the date of acquisition.

No profit and loss account is presented for the company as permitted by Section 408 of the Companies Act 2006. Its loss for the financial year was £117,148 (2013 - £37,425 profit).

**Turnover**

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

**Goodwill**

Goodwill is the difference between the fair value of consideration paid for an acquired entity and the aggregate of the fair value of that entity's identifiable assets and liabilities.

**Depreciation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Land and buildings	Straight line over 50 years
Leasehold properties	Straight line over the period of the lease
Plant and machinery	20% and 33.33% straight line
Fixtures and fittings	20% straight line
Motor vehicles	25% straight line
Assets under construction	Not depreciated

**Fixed asset investments**

Fixed asset investments are stated at historical cost less provision for any diminution in value.

**Stock**

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

## **John Sinclair (Sheffield) Limited**

### **Notes to the Financial Statements for the Year Ended 30 June 2014**

**..... continued**

#### **Investment properties**

Certain of the group's properties are held for long-term investment. Investment properties are accounted for in accordance with SSAP 19, as follows:

No depreciation is provided in respect of investment properties and they are revalued annually. The surplus or deficit on revaluation is transferred to the revaluation reserve unless a deficit below original cost, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

This treatment as regards the group's investment properties may be a departure from the requirements of the Companies Act concerning the depreciation of fixed assets. However, these properties are not held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

#### **Deferred tax**

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

#### **Foreign currency**

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

#### **Operating leases**

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

#### **Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the group is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

#### **Pensions**

The group operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

# John Sinclair (Sheffield) Limited

## Notes to the Financial Statements for the Year Ended 30 June 2014

..... continued

### 2 Turnover

An analysis of turnover by geographical location is given below:

	2014 £	2013 £
Sales - UK	3,547,618	4,892,717
Sales - Rest of the World	3,350,673	3,265,938
	<u>6,898,291</u>	<u>8,158,655</u>

An analysis of turnover by class of business is given below:

	2014 £	2013 £
Retail sales	6,898,291	7,563,655
Property development	-	595,000
	<u>6,898,291</u>	<u>8,158,655</u>

### 3 Other operating income

	2014 £	2013 £
<b>Other operating income</b>		
Rent receivable	470,698	413,608
Other income	3,097	542
Management charges receivable	44,131	35,210
	<u>517,926</u>	<u>449,360</u>

### 4 Operating profit

Operating profit is stated after charging:

	2014 £	2013 £
Operating leases - property rentals	92,000	105,500
Foreign currency losses/(gains)	1,364	(3,164)
Profit on sale of tangible fixed assets	-	(3,366)
Depreciation of owned assets	57,967	46,169
Auditor's remuneration	10,800	10,480

### 5 Exceptional items

	2014 £	2013 £
Impairment of fixed asset investment properties	<u>903,124</u>	<u>-</u>



# John Sinclair (Sheffield) Limited

## Notes to the Financial Statements for the Year Ended 30 June 2014

..... continued

### 6 Particulars of employees

The average number of persons employed by the group (including directors) during the year, analysed by category was as follows:

	2014 No.	2013 No.
Retail and office staff	52	49
Management	3	3
	<u>55</u>	<u>52</u>

The aggregate payroll costs were as follows:

	2014 £	2013 £
Wages and salaries	688,945	683,902
Social security costs	44,337	44,857
Staff pensions	17,305	19,345
	<u>750,587</u>	<u>748,104</u>

### 7 Directors' remuneration

The directors' remuneration for the year was as follows:

	2014 £	2013 £
Remuneration (including benefits in kind)	71,563	76,759
Company contributions paid to money purchase schemes	6,431	8,482
	<u>77,994</u>	<u>85,241</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2014 No.	2013 No.
Accruing benefits under money purchase pension scheme	<u>1</u>	<u>2</u>

# John Sinclair (Sheffield) Limited

## Notes to the Financial Statements for the Year Ended 30 June 2014

..... continued

### 8 Interest payable and similar charges

	2014 £	2013 £
Interest on bank borrowings	34,064	33,015
Other interest payable	-	6,220
Group interest payable and similar charges	<u>34,064</u>	<u>39,235</u>

### 9 Taxation

#### Tax on (loss)/profit on ordinary activities

	2014 £	2013 £
<b>Current tax</b>		
Corporation tax charge	53,418	35,065
Adjustments in respect of previous years	1	6,599
UK Corporation tax	<u>53,419</u>	<u>41,664</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	<u>(2,000)</u>	<u>22,000</u>
Total tax on (loss)/profit on ordinary activities	<u>51,419</u>	<u>63,664</u>

#### Factors affecting current tax charge for the year

Tax on loss/profit on ordinary activities for the year is higher than (2013 - lower than) the standard rate of corporation tax in the UK of 20% (2013 - 20%).

The differences are reconciled below:

	2014 £	2013 £
(Loss)/profit on ordinary activities before taxation	<u>(605,848)</u>	<u>373,280</u>
Corporation tax at standard rate	(121,170)	74,656
Accelerated capital allowances	5,967	(16,066)
Expenses not deductible for tax purposes	2,123	210
Non-tax deductible impairment	180,625	-
Prior year adjustment	1	6,599
Utilisation of tax losses	(686)	(11,644)
Capital expenditure relief	(15,255)	(12,091)
Marginal rate tax	<u>1,814</u>	<u>-</u>
Total current tax	<u>53,419</u>	<u>41,664</u>

**John Sinclair (Sheffield) Limited**

**Notes to the Financial Statements for the Year Ended 30 June 2014**

**..... continued**

**10 Intangible fixed assets**

**Group**

	<b>Goodwill £</b>
<b>Cost</b>	
At 1 July 2013	107,174
At 30 June 2014	107,174
<b>Amortisation</b>	
At 1 July 2013	107,174
At 30 June 2014	107,174
<b>Net book value</b>	
At 30 June 2014	-
At 30 June 2013	-

**Company**

	<b>Goodwill £</b>
<b>Cost</b>	
At 1 July 2013	10,231
At 30 June 2014	10,231
<b>Amortisation</b>	
At 1 July 2013	10,231
At 30 June 2014	10,231
<b>Net book value</b>	
At 30 June 2014	-
At 30 June 2013	-

**John Sinclair (Sheffield) Limited**  
**Notes to the Financial Statements for the Year Ended 30 June 2014**

..... continued

**11 Tangible fixed assets**

**Group**

	Freehold land and buildings £	Investment properties £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Assets under construction £	Total £
<b>Cost or valuation</b>							
At 1 July 2013	1,925,578	6,159,896	116,991	644,910	65,009	402,787	9,315,171
Revaluation	1,619,780	-	-	-	-	-	1,619,780
Additions	-	97,972	4,596	7,521	-	11,315	121,404
Reclassification	(2,160,000)	2,160,000	-	-	-	-	-
At 30 June 2014	<u>1,385,358</u>	<u>8,417,868</u>	<u>121,587</u>	<u>652,431</u>	<u>65,009</u>	<u>414,102</u>	<u>11,056,355</u>
<b>Depreciation</b>							
At 1 July 2013	332,054	216,000	97,119	547,725	26,230	-	1,219,128
Charge for the year	13,416	-	9,232	22,899	12,420	-	57,967
Write(back)/down to recoverable amount	(182,275)	958,134	-	-	-	-	775,859
At 30 June 2014	<u>163,195</u>	<u>1,174,134</u>	<u>106,351</u>	<u>570,624</u>	<u>38,650</u>	<u>-</u>	<u>2,052,954</u>
<b>Net book value</b>							
At 30 June 2014	<u>1,222,163</u>	<u>7,243,734</u>	<u>15,236</u>	<u>81,807</u>	<u>26,359</u>	<u>414,102</u>	<u>9,003,401</u>
At 30 June 2013	<u>1,593,524</u>	<u>5,943,896</u>	<u>19,872</u>	<u>97,185</u>	<u>38,779</u>	<u>402,787</u>	<u>8,096,043</u>

**John Sinclair (Sheffield) Limited**  
**Notes to the Financial Statements for the Year Ended 30 June 2014**

..... continued

**Company**

	Freehold land and buildings £	Investment properties £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost or valuation</b>						
At 1 July 2013	1,925,578	-	112,713	613,645	65,009	2,716,945
Revaluation	1,619,780	-	-	-	-	1,619,780
Additions	-	-	2,269	7,080	-	9,349
Reclassification	(2,160,000)	2,160,000	-	-	-	-
At 30 June 2014	1,385,358	2,160,000	114,982	620,725	65,009	4,346,074
<b>Depreciation</b>						
At 1 July 2013	332,054	-	94,265	541,410	26,230	993,959
Charge for the year	13,416	-	8,452	16,548	12,420	50,836
Writeback to recoverable amount	(182,275)	-	-	-	-	(182,275)
At 30 June 2014	163,195	-	102,717	557,958	38,650	862,520
<b>Net book value</b>						
At 30 June 2014	1,222,163	2,160,000	12,265	62,767	26,359	3,483,554
At 30 June 2013	1,593,524	-	18,448	72,235	38,779	1,722,986

**John Sinclair (Sheffield) Limited**  
**Notes to the Financial Statements for the Year Ended 30 June 2014**

*..... continued*

**Investment properties**

Investment properties are valued at the open market value by Mr C. J Sinclair, a director of the company following advice from external valuation specialists.

**Revaluations**

Freehold land and buildings are valued at the open market value at 1 July 2014 by Mr. C J Sinclair, a director of the company following advice and draft reports from external valuation specialists. Historical cost records are unavailable to record the carrying amount that would have been included in the financial statements had the asset class been carried at historical cost less depreciation.

**John Sinclair (Sheffield) Limited**

**Notes to the Financial Statements for the Year Ended 30 June 2014**

**..... continued**

**12 Investments held as fixed assets**

**Company**

	<b>2014 £</b>	<b>2013 £</b>
Shares in group undertakings	<u>230,456</u>	<u>230,456</u>
<b>Shares in group undertakings</b>		
		<b>Subsidiary undertakings £</b>
<b>Cost</b>		
At 1 July 2013		<u>230,456</u>
At 30 June 2014		<u>230,456</u>
<b>Net book value</b>		
At 30 June 2014		<u>230,456</u>

The company owns 100% of the issued ordinary share capital of Neaversons Limited, a company registered in England and Wales whose principal activities are the sale of quality china and glassware, and property development.

The company owns 100% of the issued ordinary share capital of Aveley Limited, a company registered in England and Wales whose principal activity is property development.

The above subsidiaries are included within the consolidated accounts.

# John Sinclair (Sheffield) Limited

## Notes to the Financial Statements for the Year Ended 30 June 2014

..... continued

### 13 Stocks

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Stocks	<u>1,165,096</u>	<u>1,245,849</u>	<u>515,450</u>	<u>555,030</u>

### 14 Debtors

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Trade debtors	539,554	484,295	45,357	43,875
Amounts owed by group undertakings	-	-	3,260,937	3,222,367
Directors' current accounts	9,310	164,592	9,310	164,592
Prepayments and accrued income	<u>312,245</u>	<u>442,141</u>	<u>268,916</u>	<u>399,308</u>
	<u>861,109</u>	<u>1,091,028</u>	<u>3,584,520</u>	<u>3,830,142</u>

Group debtors includes £nil (2013 - £nil) receivable after more than one year and parent company debtors includes £3,260,937 (2013 - £3,222,367) receivable after more than one year.

This can be analysed as follows:

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Amounts owed by group undertakings	<u>-</u>	<u>-</u>	<u>3,260,937</u>	<u>3,222,367</u>



# John Sinclair (Sheffield) Limited

## Notes to the Financial Statements for the Year Ended 30 June 2014

..... continued

### 15 Creditors: Amounts falling due within one year

	Group		Company	
	2014 £	2013 £	2014 £	2013 £
Trade creditors	552,575	709,794	526,766	649,441
Bank loans and overdrafts	150,361	253,968	13,621	128,445
Amounts owed to group undertakings	-	-	769,326	638,550
Corporation tax	53,418	35,065	-	-
Other taxes and social security	93,736	102,076	182,817	137,602
Other creditors	9,182	15,131	9,182	15,131
Directors' current accounts	9,430	10,760	9,430	10,760
Accruals and deferred income	173,220	142,700	67,805	67,773
	<u>1,041,922</u>	<u>1,269,494</u>	<u>1,578,947</u>	<u>1,647,702</u>

Creditors amounts falling due within one year includes the following liabilities, on which security has been given by the company:

#### Group

	2014 £	2013 £
Bank loans and overdrafts	<u>150,361</u>	<u>253,968</u>

#### Company

	2014 £	2013 £
Bank loans and overdrafts	<u>13,621</u>	<u>128,445</u>

Bank loans and overdrafts are secured by charges over group properties and by various cross guarantees from the companies within the group. Loans are repayable on a monthly basis with an element of the instalments falling due after more than five years. Interest is charged at a rate of 0.95% over Barclays Bank base rate and 0.95% over LIBOR for each of the differing loan arrangements.

# John Sinclair (Sheffield) Limited

## Notes to the Financial Statements for the Year Ended 30 June 2014

..... continued

### 16 Creditors: Amounts falling due after more than one year

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Bank loans and overdrafts	<u>1,916,318</u>	<u>2,053,775</u>	<u>23,043</u>	<u>34,977</u>

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given by the group/company:

#### Group

	2014	2013
	£	£
Bank loans and overdrafts	<u>1,916,318</u>	<u>2,053,775</u>

#### Company

	2014	2013
	£	£
Bank loans and overdrafts	<u>23,043</u>	<u>34,977</u>

Included in creditors are the following amounts due after more than 5 years:

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
After more than five years by instalments	<u>1,391,183</u>	<u>1,516,706</u>	<u>-</u>	<u>-</u>

# John Sinclair (Sheffield) Limited

## Notes to the Financial Statements for the Year Ended 30 June 2014

..... continued

### 17 Provisions

#### Group

	Deferred tax £
At 1 July 2013	31,000
Credited to the profit and loss account	<u>(2,000)</u>
At 30 June 2014	<u>29,000</u>

#### Analysis of deferred tax

	2014 £	2013 £
Accelerated capital allowances	29,337	32,022
Losses	-	(686)
Short term timing differences	<u>(337)</u>	<u>(336)</u>
	<u>29,000</u>	<u>31,000</u>

#### Company

	Deferred tax £
At 1 July 2013	10,000
Credited to the profit and loss account	<u>(2,000)</u>
At 30 June 2014	<u>8,000</u>

#### Analysis of deferred tax

	2014 £	2013 £
Accelerated capital allowances	8,337	10,336
Short term timing differences	<u>(337)</u>	<u>(336)</u>
	<u>8,000</u>	<u>10,000</u>

# John Sinclair (Sheffield) Limited

## Notes to the Financial Statements for the Year Ended 30 June 2014

..... continued

### 18 Share capital

#### Allotted, called up and fully paid shares

	No.	2014 £	No.	2013 £
Ordinary shares of £1 each	<u>320,000</u>	<u>320,000</u>	<u>320,000</u>	<u>320,000</u>

### 19 Dividends

	2014 £	2013 £
<b>Dividends paid</b>		
Current year interim dividend paid	<u>13,728</u>	<u>13,728</u>

### 20 Reserves

#### Group

	Revaluation reserve £	Profit and loss account £	Total £
At 1 July 2013	55,010	6,793,551	6,848,561
Loss for the year	-	(657,267)	(657,267)
Dividends	-	(13,728)	(13,728)
Net Surplus on property revaluation	<u>1,747,045</u>	-	<u>1,747,045</u>
At 30 June 2014	<u>1,802,055</u>	<u>6,122,556</u>	<u>7,924,611</u>

#### Company

	Revaluation reserve £	Profit and loss account £	Total £
At 1 July 2013	-	4,412,778	4,412,778
Loss for the year	-	(117,148)	(117,148)
Dividends	-	(13,728)	(13,728)
Surplus on property revaluation	<u>1,802,055</u>	-	<u>1,802,055</u>
At 30 June 2014	<u>1,802,055</u>	<u>4,281,902</u>	<u>6,083,957</u>

# John Sinclair (Sheffield) Limited

## Notes to the Financial Statements for the Year Ended 30 June 2014

..... continued

### 21 Reconciliation of movement in shareholders' funds

#### Group

	2014 £	2013 £
(Loss)/profit attributable to the members of the group	(657,267)	309,616
Other recognised gains and losses relating to the year	1,747,045	-
Dividends	(13,728)	(13,728)
Net addition to shareholders' funds	1,076,050	295,888
Shareholders' funds at 1 July	7,168,561	6,872,673
Shareholders' funds at 30 June	8,244,611	7,168,561

#### Company

	2014 £	2013 £
(Loss)/profit attributable to the members of the company	(117,148)	37,425
Other recognised gains and losses relating to the year	1,802,055	-
Dividends	(13,728)	(13,728)
Net addition to shareholders' funds	1,671,179	23,697
Shareholders' funds at 1 July	4,732,778	4,709,081
Shareholders' funds at 30 June	6,403,957	4,732,778

### 22 Pension schemes

#### Defined contributions pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £17,305 (2013 - £19,345).

Contributions totalling £1,685 (2013 - £1,681) were payable to the schemes at the end of the year and are included in creditors.

# John Sinclair (Sheffield) Limited

## Notes to the Financial Statements for the Year Ended 30 June 2014

..... continued

### 23 Commitments

#### Operating lease commitments

##### Group

As at 30 June 2014 the group had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	2014 £	2013 £
<b>Land and buildings</b>		
Within two and five years	<u>62,000</u>	<u>62,000</u>

In addition to the above rental commitments there are additional liabilities to pay rent based on a fixed percentage of turnover for certain rental outlets but these cannot be accurately quantified at the reporting date.

##### Company

As at 30 June 2014 the company had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	2014 £	2013 £
<b>Land and buildings</b>		
Within one year	-	-
Within two and five years	62,000	62,000
Over five years	<u>40,000</u>	<u>40,000</u>
	<u>102,000</u>	<u>102,000</u>

In addition to the above rental commitments there are additional liabilities to pay rent based on a fixed percentage of turnover for certain rental outlets but these cannot be accurately quantified at the reporting date.

**John Sinclair (Sheffield) Limited**

**Notes to the Financial Statements for the Year Ended 30 June 2014**

**..... continued**

**24 Reconciliation of operating profit to operating cash flows**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Operating profit	330,832	409,374
Depreciation, amortisation and impairment charges	57,967	46,169
Profit on disposal of fixed assets	-	(3,366)
Decrease in stocks	80,753	576,692
Decrease/(increase) in debtors	229,919	(95,154)
Decrease in creditors	(142,318)	(225,803)
Net cash inflow from operating activities	<u>557,153</u>	<u>707,912</u>

**25 Analysis of net debt**

	<b>At 1 July 2013</b>	<b>Cash flow</b>	<b>At 30 June</b>
	<b>£</b>	<b>£</b>	<b>2014</b>
			<b>£</b>
Cash at bank and in hand	89,910	112,335	202,245
Bank overdraft	(114,996)	114,996	-
	<u>(25,086)</u>	<u>227,331</u>	<u>202,245</u>
Debt due within one year	(138,972)	(11,389)	(150,361)
Debt due after more than one year	(2,053,775)	137,457	(1,916,318)
Net debt	<u>(2,217,833)</u>	<u>353,399</u>	<u>(1,864,434)</u>

## **John Sinclair (Sheffield) Limited**

### **Notes to the Financial Statements for the Year Ended 30 June 2014**

**..... continued**

#### **26 Related party transactions**

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group.

During the year the company made the following related party transactions:

##### **Mr J C L Sparre**

(a director of the company)

Directors' current accounts due within one year includes a loan to the company from Mr J C L Sparre on which no interest has been charged. At the balance sheet date the amount due to Mr J C L Sparre was £9,430 (2013 - £10,760).

##### **Mr C J Sinclair**

(a director of the company)

During the prior period, the group had advanced funds to Mr C J Sinclair which were repaid in full during the current period. The group then advanced further funds to Mr C J Sinclair which were still outstanding at the balance sheet date. At the balance sheet date the amount due from Mr C J Sinclair was £9,310 (2013 - £164,592):

Subsequent to the balance sheet date, Mr C J Sinclair paid £9,500 into the group to clear the above advance.

During the period the following dividends were paid to the directors:

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
C J Sinclair	5,002	5,002
J M Sinclair	1,978	1,978